



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Art Unit	: 3629	Customer No. 035811
Examiner	: Michael J. Fisher	
Serial No.	: 10/640,852	Docket No.: 1175-R-01
Filed	: August 14, 2003	
Inventor(s)	: Michael Sheinson	Confirmation No.: 9173
	: Art DeLaurier	
	: Mike McFall	
	: Santiago Ramirez	
Title	: LEAD GENERATION SYSTEM	
	: USING BUYER CRITERIA	

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**DECLARATION OF ART DELAURIER**

1. I am an inventor of the present application and Chief Operating Officer of Veretech, LLC, the assignee of the present application.
2. I am familiar with the subject matter described and claimed in the application, including the new claim 41, which is being added to the application concurrently with the submission of this Declaration.
3. The invention described in the present application has been commercially developed by Veretech. The commercial manifestation of the invention is called the Intelliprice System.
4. The Intelliprice System is a method of generating sales leads for vehicle dealerships that are not otherwise affiliated with Veretech. Claim 41 recites each significant step performed by the Intelliprice System.
5. As part of the Intelliprice System, Veretech maintains a web site independently of the dealerships. A car owner wishing to trade in his or her present vehicle can access the website independently or can be directed to it by the website of a dealership or manufacturer. In some instances, the Intelliprice website is accessed as a pop-up window or screen within the referring site. Regardless of the manner in which the vehicle owner accesses the site, it is made clear to the owner that the Intelliprice System is operated independently of the dealerships.
6. The Intelliprice System offers to provide the owner with an estimated value of his or her vehicle. However, the owner must provide his or her contact information and the new vehicle they plan to buy, before the estimated value is provided.
7. Based on vehicle information provided by the owner, the Intelliprice System determines the estimated value of the vehicle independently of the dealerships. This is done by comparing the vehicle information against a database of vehicle value information.

8. After determining the estimated value and receiving the owner's contact information, the Intelliprice System provides the estimated value to the consumer in such a way that the owner understands that the estimated value was generated by an entity that is independent from and non-affiliated with the dealerships.

9. The Intelliprice System transmits the owner's contact information, the description of the trade-in vehicle, and the new vehicle desired, as a sales lead, to an appropriate dealership, based on location and new vehicle desired.

10. The dealership and owner then follow up with one another about the possibility of the dealership purchasing the owner's vehicle. In particular, the dealership and the owner can discuss the possibility of using the vehicle as a trade in, in connection with the dealership selling a new vehicle to the owner.

11. The Intelliprice System that is the subject of the present application and described above was launched in the fall of 2002.

12. Since launch of the Intelliprice System, Veretech has obtained over 1000 subscribers to date. Subscribers to the Intelliprice System include about 1,000 dealerships, 10 auto portals and 12 auto manufacturers.

13. Examples of some of the subscribers include Ford, Mitsubishi, Kia, Hyundai, Volkswagen, Consumer Guide, AutoNation (300+ dealerships) and Gulf States Toyota (145 dealerships).

14. Subscribers pay Veretech by either a flat rate per month or a rate per lead.

15. Gross revenues for Veretech in 2004 were \$3.2 million. Gross revenues for 2005 are forecast to be \$4.3 million. The Intelliprice System generates substantially all of Veretech's revenues.

16. Because of the success of the Intelliprice System, there are several companies that have recently began to offer products similar to the Intelliprice System, including Kelley Blue Book, Edmunds, Galves and EAuto.

17. Through use of the Intelliprice System, Veretech generates about 720,000 leads per year. The number of leads per year for a few of Veretech's representative customers follow:

Ford: 160,000  
Kia: 96,000  
Hyundai: 90,000  
AutoNation: 70,000  
Gulf States: 60,000

18. Approximately 10% of the leads result in a sale. Veretech subscribers are very pleased with this high realization rate, where the cost for their use of the Intelliprice System, broken

down per sale, is about \$60. This represents an excellent value, especially when compared to the typical costs in the industry where dealers often pay as much as \$450 in marketing costs per vehicle sold.

19. According to Automotive News, the average selling price per vehicle is about \$25,000. That means our 720,000 leads per year and 10% realization rate generate an estimated \$1.8 billion in sales for our customers.

20. Using the Intelliprice System, Veretech, LLC has captured over 90% of the market for sales leads based on trade-ins.

21. In terms of total internet leads for car sales, there are approximately 8,000 auto dealers in the U.S. that buy internet leads. Over 10% of those dealers (about 1,000) buy leads generated by Veretech using the Intelliprice System.

22. The commercial success of the Intelliprice System is attributable to the novel features described above and claimed in the application. In particular, the knowledge that the estimated value has been generated by an entity that is independent of the dealership helps car owner's feel comfortable that the value is fair, accurate and unbiased. The collection of the owner's contact information in exchange for the independent estimated value, and subsequent transmission of that information as a sales lead, are unique steps that have contributed significantly to the success of the Intelliprice System.

I declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under §1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application and any patent issuing thereon.

August 5, 2005  
Date

Art DeLaurier  
Art DeLaurier